

Message Text

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PAGE 01 CARACA 11697 012114Z
ACTION ARA-14

INFO OCT-01 ISO-00 EB-08 /023 W
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FM AMEMBASSY CARACAS
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INFO SECSTATE WASHDC 211

UNCLAS CARACAS 11697

PASS TO OED/MEPD AND OIM

E.O. 11652: N/A
TAGS: BENC, VE
SUBJ: MAJOR PROJECT: CORPOZULIA STEEL PROJECT

REF: (A) CARACAS 11696, (B) CARACAS 10425 ET AL

1. THE FOLLOWING IS AN EDITED RETRANSMISSION OF AMCONSUL MARACAIBO'S REPORT ON THE PRE-SELECTION OF PARTNERS FOR THE CORPOZULIA STEEL PROJECT REPORTED IN REF A:
 1. THE CONTENT OF THE PROPOSALS MUST BE DEVELOPED FOLLOWING THE SAME ORDER AS THAT (FOUND IN POINT 5 OF THE TERMS OF REFERENCE.
 2. THE PROPOSALS MUST BE IN THE SPANISH LANGUAGE.
 3. THE FINANCIAL STATEMENTS MUST BE PRESENTED IN SPANISH LANGUAGE, PROPERLY NOTARIZED AND CERTIFIED BY A PUBLIC ACCOUNTANT.
 4. THREE COPIES (ORIGINAL AND TWO COPIES) OF THE PROPOSAL MUST BE PRESENTED IN A WAX SEALED ENVELOPE.
5. THE PROPOSALS MUST BE PRESENTED IN THE OFFICES OF CORPOZULIA; AVENIDA 4 NO. 83-23; COMMUNITY CONFERENCE ROOM; EDIFICIO CAJA POPULAR; MARACAIBO, ESTADO ZULIA, VENEZUELA, DECEMBER 22, 1977 AT 3:00 P.M.
6. THE ABOVE DATE IS CONSIDERED TO BE UNPOSTPONABLE FOR THE SUBMISSION OF THE DOCUMENTATION, AND THE SAME (THE SUBMISSION) MUST

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BE DONE BY A PROPERLY AUTHORIZED REPRESENTATIVE.

7. FOR ANY REQUEST FOR CLARIFICATION OF THE TERMS OF REFERENCE ONLY WRITTEN MEANS MAY BE USED, ADDRESSED TO THE ADDRESS MENTIONED ABOVE OR BY TELEX TO NO. 61101, CORPOZULIA, ATTENTION: TERMS OF REFERENCE. ONCE THE ANSWERS ARE PREPARED, THEY WILL BE SENT IN WRITING WITH THE INFORMATION ABOUT THEIR CONTENT TO ALL THE FIRMS

PARTICIPATING IN THE PROCESS.

8. THE VENEZUELAN STATE, THROUGH THE APPROPRIATE (OFFICIAL) ORGANISMS RESERVES THE RIGHT TO PRESELECT THOSE FIRMS THAT IT CONSIDERS MOST BENEFICIAL TO THE INTERESTS OF THE NATION AND CORPOZULIA, NOR ACQUIRING ANY LIABILITY TO THE PARTICIPANTS NOR ANY OBLIGATION IN ANY SENSE WITH THEM (THE PARTICIPANTS) FOR REASON OF THEIR PARTICIPATION IN THE PROCESS.

9. A FORMAL SESSION WILL BE OPENED UPON THE RECEPTION OF THE PROPOSALS WHICH WILL BE SIGNED BY ALL THE REPRESENTATIVES OF THE DIFFERENT FIRM THAT ATTEND THIS EVENT."

2. POINT 5 OF THE TERMS OF REFERENCE, MENTIONED IN PARAGRAPH ONE OF THE CONDITIONS IS AS FOLLOWS:

"5 MINIMUM INFORMATION THE PROPOSAL MUST CONTAIN

5.1 GENERAL INFORMATION ABOUT THE COMPANY (COMPANIES)
LEGAL ADDRESS OF THE COMPANY (COMPANIES)
COUNTRY OF ORIGIN
SUBSCRIBED AND PAID-IN CAPITAL OF THE COMPANY (COMPANIES)
PRINCIPAL ACTIVITY OF THE COMPANY (COMPANIES)
IDENTIFICATION OF THE SHAREHOLDERS AND THE NATIONALITY OF THE SAME, INDICATING IN ADDITION IF THE CAPITAL IS PRIVATE, STATE OR MIXED AND THE PERCENTAGE COMPOSITION OF THE SAME.
ORGANIZATION CHART OF THE COMPANY (COMPANIES)
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IN THE CASE OF FOREIGN COMPANIES, INDICATE ITS (THEIR) REPRESENTATIVE IN VENEZUELA
IDENTIFY THE PERSON (PERSONS) THAT REPRESENT THE COMPANY (S)

5.2 FINANCIAL AND TECHNICAL INFORMATION.
FINANCIAL STATEMENTS OF THE COMPANY (S)
FOR THE PAST 5 (FIVE) YEARS PROPERLY CERTIFIED BY A PUBLIC ACCOUNTANT
INDICATE THE INCENTIVES THE COMPANY (S) RECEIVES, INCLUDING EXPORTS INCENTIVES
SOURCE OF FINANCING UTILIZED
WOULD THE COMPANY(S) BE IN A CONDITION TO OFFER FINANCING, IN WHAT QUANTITIES, AREAS AND CONDITIONS
INDICATE EXPERIENCE IN THE DESIGN, CONSTRUCTION START-UP AND OPERATION OF A STEEL PLANT, OR ANY OTHER EXPERIENCE IN THE STEEL, OR SIMILAR, AREA.
DESCRIPTION OF THE INSTALLATIONS OF THE COMPANY (S) INDICATING THE CAPACITY AND CHARACTERISTICS OF THE EQUIPMENT, YEAR OF INSTALLATION, PERSONNEL, TRAINING FACILITIES AND EXPANSION PROGRAMS
DESCRIPTION OF RESEARCH AND OPERATING EXPERIENCE, POINTING OUT ANY PATENTS IT HOLDS

5.3 BASIC CONDITIONS FOR THE DRAFTING OF A PROPOSAL

WHAT LEGAL REQUIREMENTS MUST BE COMPLIED WITHIN THE COUNTRY OF ORIGIN TO MAKE INVESTMENTS IN THE PROJECT IF THEY EXIST, INDICATE THE ESTIMATED TIME IT WILL TAKE TO COMPLY WITH THESE REQUIRE

MENTS

IN THE CASE OF A CONSORTIUM, EACH OF THE INDIVIDUAL COMPANIES OF THE SAME MUST PRESENT THE REQUIREMENTS INDICATED IN THE PREVIOUS PARAGRAPH

IN THE CASE OF A PROPOSAL PRESENTED WITH OTHER COMPANIES, WHICH WOULD BE THE FORM AND MODALITY OF ASSOCIATION, WHICH WOULD BE THE FIELDS OF ACTIVITY (DESIGN, CONSTRUCTION, SUPERVISION, TRAINING, FINANCING, ETC.), EACH ONE OF THEM WOULD COVER PRESENT A TENTATIVE PLAN FOR THE TRANSFER OF TECHNOLOGY AND FOR THE UNCLASSIFIED

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TRAINING OF VENEZUELAN PERSONNEL AT ALL LEVELS

EXPRESS ITS JUDGEMENT ABOUT THE COMPOSITION OF A BOARD OF DIRECTORS AND ABOUT THE LEVELS OF MANAGEMENT OF THE ENTERPRISES (CORPOZULIA STEEL PLANT)

INDICATE THE POSSIBILITY OF PROVIDING A MARKET FOR THE PRODUCTS THAT WILL BE MANUFACTURED BY THE ENTERPRISE

WHAT OTHER POSSIBILITIES FOR THE COMMERCIALIZATION OF THE INPUTS OR RAW MATERIALS CAN THE COMPANY(S) PROVIDE

HOW DOES IT (THEY) PERCEIVE THE FINANCING OF THIS PROJECT

INDICATE ANY OTHER INFORMATION IT (THEY) BELIEVE TO BE USEFUL".

3. COMMENT: WITH THE VERY SHORT FUSE FOR THE PRESENTATION OF PROPOSALS, WE STRONGLY SUSPECT THAT THIS EXERCISE IS A FORMALITY AT BEST. DRISCOLL".

4. EMBASSY COMMENT: WELL-PLACED VENEZUELAN BUSINESSMAN CONNECTED WITH ONE OF THE INTERNATIONAL CONSORTIA INTERESTED IN CORPOZULIA STEEL PROJECT HAS INFORMED EMBOFF THAT ABOUT TWO DOZEN OTHER FOREIGN CONSORTIA HAVE BEEN IN CLOSE CONTACT WITH CORPOZULIA FOR SOME TIME. SOURCE COMMENTED THAT A CONSORTIUM NOT ALREADY INVOLVED WOULD HAVE NO CHANCE TO MEET 22 DECEMBER DEADLINE SET BY CORPOZULIA. CROWLEY

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Status: NATIVE
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TAGS: BENC, VE
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